

The Politics of Social Solidarity

Class Bases of the
European Welfare
State 1875–1975

Peter Baldwin



CAMBRIDGE
UNIVERSITY PRESS

PUBLISHED BY THE PRESS SYNDICATE OF THE UNIVERSITY OF CAMBRIDGE
The Pitt Building, Trumpington Street, Cambridge, United Kingdom

CAMBRIDGE UNIVERSITY PRESS

The Edinburgh Building, Cambridge CB2 2RU, UK <http://www.cup.cam.ac.uk>

40 West 20th Street, New York, NY 10011-4211, USA <http://www.cup.org>

10 Stamford Road, Oakleigh, Melbourne 3166, Australia

Ruiz de Alarcón 13, 28014 Madrid, Spain

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First published 1990

First paperback edition 1992

Reprinted 1993, 1996, 1999

British Library Cataloguing in Publication data

Baldwin, Peter

The politics of social solidarity: class bases of the European welfare state,
1875-1975.

1. Welfare state. Political aspects

I. Title

361.6'5

Library of Congress Cataloguing in Publication data

Baldwin, Peter

The politics of social solidarity: class bases of the European welfare state,
1875-1975 / Peter Baldwin.

p. cm.

Includes bibliographical references.

ISBN 0 521 37512 6

1. Welfare state. 2. Solidarity. I. Title.

JC325.B33 1990

320.5'13 - dc20 89-17312 CIP

ISBN 0 521 37512 6 hardback

ISBN 0 521 42893 9 paperback

Transferred to digital printing 2003

Acknowledgement is gratefully made to the archives listed in the bibliography for
permission to make use of the sources in their possession.

Parts of Chapter 1 have appeared as "The Scandinavian Origins of the Social
Interpretation of the Welfare State," *Comparative Studies in Society and History*,
31, 1 (1989), of Chapter 2 as "How Socialist is Solidaristic Social Policy? Swedish
Postwar Reform as a Case in Point," *International Review of Social History*, 33, 2
(1988).

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Introduction: Welfare, Redistribution and Solidarity

Joseph Schumpeter once claimed to be able to detect the thunder of world history in accounts of public finance. Fiscal topics – issues of the budget, taxation, the growth of state spending – best revealed the spirit of a people, its cultural level, its social structure.¹ The development of the welfare state is a topic which similarly conceals questions of utmost importance under matters that may at first seem merely technical and abstruse. Social insurance, old-age pensions, workers' compensation, actuarial risk, waiting time, point-indexing and cost-of-living differentials rarely seem the stuff of dramatic narrative. In fact, approached from the right angle, the nuts and bolts of social policy testify to the heated struggles of classes and interests. The battles behind the welfare state lay bare the structure and conflicts of modern society. Ongoing disputes among groups for redistributive advantage, contests over solidarity, force a constant renegotiation of the social contract.

Applying the instruments of social insurance on behalf of increasing numbers of citizens to ever greater varieties of risk and ill fortune, the modern welfare state decisively advanced society's ability to treat each of its members equally. It did so, however, less by redistributing wealth than by reapportioning the costs of risk and mischance. Insurance translates the effects of fate, luck and iniquitous social circumstance into the common denominators of cash, kind and services, then reallocates them so that the stricken bear no more than an average burden and those spared assume responsibility for events not directly affecting them. In terms of misfortune's consequences, all who are members of a common risk pool stand equal.

In this respect, only a minor difference separates any form of insurance

¹ Joseph Schumpeter, "The Crisis of the Tax State," in A. Peacock et al., *International Economic Papers* (New York, 1954), p. 7, quoted in Michael Mann, "State and Society, 1130–1815: An Analysis of English State Finances," *Political Power and Social Theory*, 1 (1980), 168.

from social insurance and its comprehensive expansion in the welfare state. Once risks are pooled, the individual faces uncertainty no longer alone but as part of a larger group. The novelty of social insurance was the extension of this confrontation of risk in community from a small circle, sometimes self-selected to its advantage, sometimes isolated to its own peril, not only to a much larger group – possibly society as a whole – but even, through intergenerational transfers, to the still unborn. The magic of averages, in Churchill's wartime phrase, was harnessed for the millions. Social insurance's advantage lay in the expanse of the community it embraced, the scope of the problems it resolved, the intervention allowed by the state's power and the justice of the redistribution that followed. The terms of misfortune's reapportionment were determined not privately, but by society as a whole in accordance with commonly accepted standards of equity. Concerns that had formerly been individual became political. What happened in case of illness, disability, old age, unemployment and parenthood was now decided in line with agreed-on principles of fairness. In areas where happenstance and circumstance had ruled most arbitrarily, regularity, predictability and equality took over.

The rules, conventions and standards of justice that governed the formal interaction between society's members and determined the terms of citizenship were gradually extended to apply also to the most personal and individual matters of risk and misfortune. Relations between citizens, formerly regulated primarily in a civil and political sense, were altered accordingly. As economic producers or as members of different classes, individuals were still treated unlike by the market and by inherited hierarchies. But as creatures subject to risk, they could stand equal. Full membership in the community was possible for all citizens, not only as bearers of civic rights or as political participants, but as mortals buffeted by misfortune and unsettled by insecurity. With the development of the welfare state, society decisively improved on its ability to decide autonomously its rules of association without regard to the dictates of nature, fate or circumstance.²

² François Ewald gives a magisterial analysis of the world-historical significance of social insurance and the welfare state in *L'état providence* (Paris, 1986), esp. pp. 395–405. Foucault has also discussed some of the themes elaborated in this remarkable work in his "Un système fini face à une demande infinie: Entretien avec Michel Foucault," in Robert Bono (ed.), *Sécurité sociale: L'enjeu* (Paris, 1983). For a similarly ambitious, but less adventurous concept of social policy, see Stein Ringen, *The Possibility of Politics: A Study in the Political Economy of the Welfare State* (Oxford, 1987), ch. 1.

The Possibility and Reality of Solidarity

Social insurance provided the tools with which to reapportion and moderate the effects of natural and manmade misfortune. The comprehensive, all-inclusive risk-sharing that was characteristic of the best-developed welfare states made possible equality not only in the formal sense of civil and political rights, but also in the practical terms of a common minimum of protection. Although such an egalitarian approach was potentially inherent in social policy's ability to reallocate misfortune, it was far from being universally realized. Welfare states varied much in the degree of redistribution they embodied, both between nations at any given time and across any one country's development.

Clearly, the first attempts to spread burdens broadly were not guided by any solidaristic vision. Bismarck's interest in social insurance was motivated by reactionary intentions. A modicum of redistribution in the form of pensions, sickness insurance and workers' compensation was to preempt the Social Democrats from winning a greater following and pursuing more ambitious attempts at justice. Even when going beyond Bismarck's conservative agenda, the architects of social policy have only with difficulty shaken off the suspicion that they were substituting for more fundamental reform, that social policy and social change were mutually contradictory. Critics from the left have enjoyed the advantage of consistency in their attempts to unmask the welfare state as a reformist detour from the high road to the workers' state. And yet neither its conservative origins nor the reactionary ends it can in theory serve have tainted the welfare state everywhere or always. The momentum of social policy development has carried it beyond such an inauspicious beginning. Precisely the ability of the mature welfare state to surpass Bismarck has made it a turning point in modern history. At certain times and places the welfare state's potential does appear to have been realized, the community of risk has coincided with the human community, the justice of redistributed misfortune has moderated the senseless randomness of natural calamity and the cruelty of social inequity.

Postwar reforms in Britain, associated with Beveridge's name, once came closest to this social policy epiphany in the popular understanding. The sociologist T. H. Marshall earned a lasting reputation by formulating in abstract terms the sense that Labour's legislation had ushered in a new epoch. The concept of citizenship was his keystone. He defined it as "full membership of a community," premised on a "kind of basic human

equality” that, while tolerating differences of class and wealth, guaranteed each a minimum standard regardless of the hand dealt by fate, biology and society.³ Citizenship, he divided into three components: civil, political and social. Once wound into a single strand in some golden age, but since then unravelling, they had been recovered, each in its own century: civil rights in the eighteenth, political in the nineteenth and social in the twentieth.⁴ The modern drive towards social equality was the latest phase of an evolution of citizenship in continuous progress for over two centuries. In fact, Marshall stood poised to herald the achievement of his conception as he delivered his analysis in a series of lectures at Cambridge in 1949. Taking effect the previous year, Labour’s reforms had once again brought into realignment the three facets of citizenship. Social rights completed the troika, an equality of status helping counterweigh disparities of income and class.⁵

Comparable attempts at innovation in social policy on the Continent after the Second World War were infused with similarly fervent hopes and ambitions, but came to little. With their failure and as the luster wore off British reforms, a less exalted attitude set in. As postwar aspirations for significant change dimmed in most countries, the distance between the possibilities of universal risk-sharing and the difficult actualities of their implementation made itself felt. Only in Scandinavia, whose social greenhouses brought the welfare state to its most luxuriant fruition, was Marshall’s vision upheld of egalitarian welfare policy that unified the trinity of rights and gave content to a lowest common denominator of citizenship. But even if the theoretical potential of the welfare state was only occasionally and partially realized, it still serves to focus attention on the issues that have been contested in the development, expansion and extension of social policy and to frame the questions over which battles have been fought.

³ An adumbration from outside the Anglo-Saxon sphere is to be found in Alberto Masferrer, “El mínimo vital” (1929), in his *El mínimo vital y otras obras de carácter sociológico* (Guatemala, 1950), esp. pp. 200–09.

⁴ Marshall’s concept of social citizenship has been described as an Anglo-Saxon version of *Gemeinschaft*; see Anne-Lise Seip, *Om velferdsstatens framvekst* (Oslo, 1981), p. 17. Critically on this conflation of various kinds of rights, see Maurice Cranston, “Humans Rights, Real and Supposed,” in D. D. Raphael (ed.), *Political Theory and the Rights of Man* (London, 1967). For criticism of Cranston, in turn, see Raymond Plant et al., *Political Philosophy and Social Welfare: Essays on the Normative Basis of Welfare Provision* (London, 1980), pp. 74–82; and David Watson, “Welfare Rights and Human Rights,” *Journal of Social Policy*, 6, 1 (January 1977).

⁵ “Citizenship and Social Class,” in his *Class, Citizenship and Social Development* (Chicago, 1963). For an elaboration of the history of social rights, see Gaston V. Rimlinger, “Capitalism and Human Rights,” *Daedalus*, 112, 4 (Fall 1983).

Insurance has existed for millennia, social insurance developed in response to the widespread and multiplied uncertainties attendant on modern economies, while the solidaristic welfare state of a Marshallian cast has been the exclusive preserve of only a few nations at certain times in the twentieth century. With insurance, from Babylonian bottomry to Lloyd's of London, humans have attempted to outcalculate fate, reapportioning misfortune so that no policyholder need face its effects alone. Social insurance, expanding the scope and audience of plain insurance, was both an effort to master the increased risks of new technologies and a replacement of older, familiar forms of succor and sustenance, undercut by the decline of traditional society. In at least a minimal sense, social insurance quickly became a functional appurtenance of all modern societies, whether autocratic, democratic or communist. By contrast, the fully matured solidaristic welfare state, covering all equally against every risk, emerged only exceptionally. Given a general tendency over the last century for the state to play an increasing role in the provision against risk, why have only certain countries managed to take the step from a basic level of welfare necessitated by the functional requirements of industrialized economies to a more egalitarian form of social protection? Why have only some gone from Bismarck to Beveridge, not to mention Bevan? What accounts for the varying fortunes of solidaristic welfare?

Up to a point, the development of social policy and the welfare state is not difficult to explain. Some level of intervention is required for modern economies to perform optimally. To this extent, social policy serves necessary functional and therefore uncontroversial economic purposes: rehabilitating the injured, retraining the redundant, facilitating labor mobility and stabilizing production and consumption patterns. Since nations similar in economic terms have varied much in their approach to social policy, however, other factors must also have played a role. At some stage in the evolution of certain welfare states, the degree of redistribution functionally required seems to have been surpassed and the nature of social policy came to be determined by considerations other than the merely economic.

Above the economically necessary minimum there has also been a politically determined lowest level, a measure of welfare willingly accepted by elites in hopes of preserving their position – property's ransom for security in Joseph Chamberlain's phrase.⁶ In certain nations, Bismarckian

⁶ Quoted in John Saville, "The Welfare State: An Historical Approach," *New Reasoner*, 1, 3 (Winter 1957–58), 14.

Germany being the classic example, workers were paid in the coin of social policy for what was withheld from them in political terms: pensions for empowerment. Social policy served a politically functional role, stabilizing circumstances that would otherwise have been more volatile. It is clear that some welfare states have gone beyond the economically necessary minimum. Less obvious is whether, in a similar way, the lowest level of statutory intervention has also been surpassed that is politically functional for those who fear that they otherwise stand to lose more than just the expense of social policy. It is difficult to disprove empirically the hermetic logic of the view that regards even generous welfare legislation as a factor in the equilibration of an inherently unfair status quo.

Yet, even so, it is apparent that such tight reasoning cannot adequately explain why some welfare states have been significantly more comprehensive and generous than others. If none has gone beyond the politically functional minimum, then the political functions they have served must have fluctuated as much as welfare states have differed. Precisely this variation, however, is historically ill-fitting. The Nordic nations, with their generous policies, were not in any obvious sense potentially more explosive political powder kegs than, say, France and therefore not in need of especially elaborate social measures. If Swedish elites granted more significant concessions than their Gallic counterparts, then this was either because of their unusually benevolent dispositions or, more plausibly, because greater demands were effectively made of them. If so, then the concept of a politically functional minimum of social policy, a price paid by society's elites for continued preeminence, rapidly becomes untenable the more significant are the welfare victories won at their expense. Where the welfare state achieved its highest development, the tables appeared to have been turned: what the haves maintained by making concessions seemed diminishingly important compared to what the have-nots won by marshalling their strength. Egalitarian, comprehensive and all-inclusive social policy, epitomized in Beveridge and Bevan's reforms and especially in the postwar Scandinavian, social democratic welfare states, at first glance served the interests of the least fortunate best. Society's disinherited were, for once, given a status equal to the better-off, not just formally, but also in the tangible measure of a common basic protection against risk.

Was the politically functional minimum now surpassed in the Beveridgean and social democratic welfare states, where the least advantaged received more than was necessary to preserve basic stability? Was the fundamental economic and political rationality of much social policy

(allocating resources by need rather than merit or desert, oiling first the squeakiest wheel) transcended by measures that distributed more than otherwise likely to groups not earlier in receipt of their fair share? If so, then the best-developed welfare states pose the question of why those from whom resources were transferred acquiesced. If the fortunate, in fact, granted the unprivileged concessions beyond what was required, then why did they do so? If the impoverished managed to wrest advantages, then how did they achieve this? The welfare state raised the possibility of equality in the real terms of risk redistribution, the possibility of solidarity. Only some welfare states have gone significantly beyond the levels of social policy necessitated by economic optimality and basic political legitimacy to achieve a degree of redistribution that speaks as much to the needs of the least fortunate as to the fears of the better-off. How such solidarity was possible is the concern of this book.

Until recently, it has been common to seek the social source of the most comprehensive and generous legislation in the ability of those groups and classes with most at stake to achieve their goals – a laborist approach to the welfare state. Society's disinherited had the most obvious interests in social policy. In some nations at certain times, these were taken up and successfully pressed by well-organized labor movements and parties of the left. Workers were the objectively solidaristic class whose ambitions here determined the development of welfare provision. While largely plausible as far as it goes, the problem with this approach is its inability to account for variations in detail. Phrased at a level of great generality, it commands assent. Those industrialized regions of the world with the strongest labor movements tend also to have the most finely woven social nets: Europe more so than the United States and Japan; within Europe, Sweden more than France. Nevertheless, when pressed for a more fine-grained account of apparent anomalies and exceptions, matters are less obvious. How should one explain welfare states, like the Dutch, able to achieve Scandinavian levels of spending with no history of Social Democratic hegemony? How can one account for French and German legislation in the 1960s and 1970s modeled on Beveridgean and Nordic patterns that was passed with middle-class support against objections from the left? Or, turning to those nations whose experience allegedly exemplifies the laborist approach, is the only, or even the best, way to account for the acceptance by the bourgeoisie and its parties of redistributive social policy reform after the Second World War the view that the middle classes succumbed to pressure from the left, encouraging them to accept measures which, given their

preferences, they would have rejected? Was the much-celebrated consensus underpinning the social democratic welfare states of Scandinavia and Beveridgean Britain at best a tense cease-fire, respected by the bourgeoisie only because the left was now powerful or because the hardships of war had temporarily sapped the middle class's will to resist redistributive reform? Were the terms of this agreement determined primarily from below? Was the middle class's stake here largely negative?

The laborist approach to the welfare state works best for Scandinavia starting in the 1930s and for Britain during the Beveridge era.⁷ Because of its circumscribed formulation, narratives phrased in these terms have gradually walled themselves into a Nordic ghetto, explaining Scandinavian and, diminishingly, British exceptionalism to the satisfaction of some, but ever less able to deal in a detailed and nuanced manner with the broader development of the welfare state. The difficulty of applying the laborist approach elsewhere, of explaining, for example, increasingly elaborate social provision even in nations not dominated by Social Democratic parties or of accounting for variations between countries otherwise similar in terms of working-class mobilization, has in recent years prompted scholars to consider new explanations, whether generalized varieties of corporatism associated as closely with Catholic as with Socialist parties or whether a focus on the state, the variations of its structures and their influence on the different courses taken by the development of the welfare state.⁸ This shift to alternative forms of interpretation threatens to weaken all class-based accounts of the welfare state, much as social explanations used in the historical analysis of other periods and subjects have in recent years come under attack. It would be unfortunate if a social approach to the welfare state were in this way hollowed out because its best-known elaboration had removed itself from the intellectual fray by retreating into the well-armored, but narrow redoubt of the laborist interpretation.

The dead end with which the barrenness of the laborist approach, as currently practiced, threatens all socially based explanations of social policy can, nevertheless, be avoided by recognizing that such an account formulated in terms of the working class's strength and organization is but

⁷ Which is why only general histories that deal with Britain and Sweden define their current essences as welfare states; see T. O. Lloyd, *Empire to Welfare State: English History 1906–1967* (Oxford, 1970); Pauline Gregg, *The Welfare State: An Economic and Social History of Great Britain from 1945 to the Present Day* (London, 1967); and Kurt Samuelson, *From Great Power to Welfare State: 300 Years of Swedish Social Development* (London, 1968).

⁸ References to the literature are given below.

one instance of a broader logic of social interest behind the welfare state and its development. Workers were often that group most concerned with social policy, but they have not been the only one. Nor, in a broader comparative analysis, have their interests been more than a single factor, however important, among many competing ones. Workers' concerns have been determined and consequently altered by historical circumstances. In the evolution of the welfare state there has been no one uniform and consistent, objectively solidaristic class. In many cases, the bourgeoisie, or various subcategories thereof, also developed pressing interests in social policy, not just as Bonapartist manipulators, but as creatures subject to misfortune surpassing their capacity for self-reliance or as groups that, in certain instances, stood to win more than they lost from risk redistribution. In fact, to the extent that social policy has ever gone beyond economically and politically functional minima, it is hard to deny the role played by the middle classes, especially in decisions arrived at consensually. Substantial victories for the worst-off in circumstances short of wholesale upheaval are inherently ambiguous. Since even the full-fledged welfare states of Scandinavia were born of reform, not revolution, since they were democratically agreed to, not unilaterally imposed, those classes which apparently abandoned claims to some of their resources must also have influenced the terms of change. The simplest, and most frequently answered, questions posed to the welfare state concern the nature and extent of the benefits now won by the disadvantaged. A much more intriguing problem deals with the stake developed by the comfortably upholstered middle classes in such reform.

To analyze the role of the middle classes in the development of even generous and solidaristic social policy is not, however, willfully to turn the laborist approach on its head, evicting the working class and installing the bourgeoisie as the cornerstone constituency of social policy, implausibly claiming to have replaced one key group, one social base of the welfare state, with another. It is, rather, to develop further a social analysis that the laborist account has cultivated well, but too narrowly, to explore the broader social logic of the welfare state's evolution, to resist the abandonment of all social explanations of social policy that is currently encouraged by the failure to develop a more broadly applicable version. The welfare state does benefit the needy and risk-prone at the expense of those less malevolently buffeted by misfortune and injustice. Yet the precise class identity of these actors who most need the risk redistribution allowed by comprehensive social policy has varied remarkably with

historical circumstances. To speak of the welfare state's social basis is therefore misleading except within narrowly circumscribed temporal and geographical limits. In a broader comparative perspective, the welfare state has been founded on differing combinations of social bases.

Class, Risk and the Social Bases of Solidarity

Analyses of the welfare state's progress beyond the irreducible minimum needed to lubricate the gears of modern societies and polities commonly impute new motives to familiar actors. A middle class that, in the heyday of liberal ideology, had supposedly safeguarded its interests by insisting on the virtues of self-reliance, by disparaging solidarity, was gradually persuaded to alter its approach, a change that culminated in the postwar Beveridgean and Scandinavian waves of social reform. The growth of working-class strength, in some accounts, forced this formerly unsolidaristic bourgeoisie to reconsider what it was willing to grant the less fortunate. In others, the upheaval and uncertainty of war gave even those who had once been self-reliant a newfound interest in mutual aid. Increasingly generous notions of humanitarian concern and revised conceptions of the state's proper role allowed both old-fashioned Manchesterism and Bismarckian statutory paternalism to be replaced by a more benevolently interventionist approach, based on an evolving acceptance of social rights as a necessary complement to their civil and political antecedents. In each case, a crucial group at the fulcrum of political decision-making now apparently shifted from the customary pursuit of self-interest that had formerly dictated a curtailment of any widespread redistribution to the destitute and needy.

Yet why should self-interest have been any less than normally compelling during this crucial period in the welfare state's development? Even if the middle class changed its approach, was this necessarily a sign of greater enlightenment, of less than the usual avarice, or of a new bourgeois inability to defend its "true" interests against a strengthened labor movement? Did the middle classes capitulate to workers' demands with little or nothing to say on their own behalf? What danger of welfare whiggery do we court in charting here a steady incremental progress either of humanitarianism and statutory benevolence or of the working class's conquest of solidaristic reform? Conversely, if bourgeois self-interest was the motive behind even solidaristic social policy, must we conclude that even the most generous welfare state ultimately serves the interests of society's elites in

preserving their privileged status, however much the price they pay has increased? Did Beveridge just glove capitalism's iron fist – naked with Bismarck – in welfare velvet?

The issues at stake in a reform of social policy that appears to go beyond economically or politically functional minima in fact concern the nature of the actors behind such changes more than they do their motives. Whose self-interest is being pursued and how it is best served are the pertinent questions. Examinations that portray the haves as equilibrating the status quo by granting social policy concessions or the have-nots as finally wresting advantage from the more favored in the form of generous benefits assume the presence of coherent class actors – whether a unified bourgeoisie intent on resisting claims to its resources or a proletariat marshaled in serried ranks and determined to force compensation from the privileged. Most examinations of the social bases of welfare reform narrate a scenario pitting upper and lower, rich and poor, middle and working class in combat for redistributive advantage. Workers and society's disinherited sought solidarity. The bourgeoisie and other well-positioned groups, in turn, resisted any such designs on their pockets.⁹ The outcome of this dichotomized contest over redistribution depended on the respective strengths of these polar actors. A strong, self-confident bourgeoisie was able to turn back ambitions for solidaristic reform. Conversely, a sufficiently powerful labor movement might overcome such obstacles.

Upon closer inspection, such simple antinomies turn out to have held only partially. Although they intersect and often coincide, the actors who do battle over welfare policy and social classes in the more general sense are, in fact, two distinct entities. Redistributive winners and losers are the contestants whose engagements have determined decisions over solidaristic social policy. And yet, because the secondary redistribution undertaken by social insurance reapportions the cost of misfortune most immediately according to actuarial criteria, and not in line with the social distinctions that are important in the primary economic distribution, such actors have been first and foremost risk categories that translate only indirectly and

⁹ "... socialist labour movements attempt to create 'institutional' welfare states, in which politics assumes as natural a place in the distributive processes as the market and the family. Bourgeois forces, in contrast, strive for 'marginal' types of social policies, where public policy is appropriate only when the market and the family fail in their natural role as providers for the individual" (Gøsta Esping-Andersen and Walter Korpi, "Social Policy as Class Politics in Post-War Capitalism: Scandinavia, Austria, and Germany," in John H. Goldthorpe (ed.), *Order and Conflict in Contemporary Capitalism* (Oxford, 1984), pp. 185, 181). See also Gøsta Esping-Andersen, "Power and Distributional Regimes," *Politics and Society*, 14, 2 (1985), p. 224.

variably into the usual definitions of class and social group. Risk categories are actors identified and given interests in common by their shared relations to the means of security, by their stake in or against the redistribution of risk promised by social insurance. These relations to redistributive measures are shaped by the interaction of at least two different factors: (1) the simple incidence of risk as it afflicts the group in question, and (2) the group's ability to shoulder its burdens unaided, its capacity for self-reliance.

Risk incidence has affected some groups more than others at any given moment.¹⁰ By the very conditions of its occupation, the industrial proletariat has been particularly exposed to certain risks (unemployment, workplace accidents) and therefore especially concerned with spreading such burdens. For other risks (illness, penurious old age, childbirth and childrearing), the working class has had no interest in a redistribution of costs that it did not share equally with the impoverished and precariously perched members of other social groups. Although it may have suffered more than its share of risks, the proletariat has had no monopoly on uncertainty or on an interest in measures to ameliorate such circumstances. Nor has the industrial working class been *the* risk-prone group in every country at the time social insurance was first developed. Since welfare legislation began across nations with quite different social and economic complexions, the preeminently needy class within each has varied from place to place. In agrarian Scandinavia of the late nineteenth century, for example, farmers and peasants made up the group most concerned with social policy, not in the sense that they were objectively exposed to more uncertainty than the, as yet, only vestigially developed Nordic proletariat, but in the sense that they were the ones whose pursuit of redistribution determined the course taken by the first legislative initiatives here.

In an actuarially orthodox system of insurance with voluntary membership, as with most forms of private insurance, risk incidence would be the main and possibly the only criterion of redistribution. To the extent that social insurance is distinguished from private arrangements by placing costs in some measure according to the ability to bear them and not only to

¹⁰ What counts as misfortune or risk worth confronting has also been as much a social construct as an objective given. For the purposes of an account of social insurance, however, such otherwise very interesting problems can be considered already settled. See Mary Douglas and Aaron Wildavsky, *Risk and Culture: An Essay on the Selection of Technical and Environmental Dangers* (Berkeley, 1982); Mary Douglas, *Risk Acceptability according to the Social Sciences* (New York, 1985); Nick Manning, "Constructing Social Problems," in Manning (ed.), *Social Problems and Welfare Ideology* (Aldershot, 1985); and Malcolm Spector and John I. Kitsuse, *Constructing Social Problems* (New York, 1987), esp. ch. 5.

their incurrence, or by giving benefits as much in relation to economic need as to any other mark of entitlement, a group's ability to master risk, its good or poor fortune, has also become an element in reallocation.¹¹ To a reapportionment of risk in the narrowest sense has been added a modest measure of economic redistribution. Risk incidence has therefore been only one factor deciding the stakes any given group had in a displacement of burdens through social insurance. The question has not been merely how risk-prone a particular class was, but how able it was to face uncertainty. The group's capacity for self-reliance, its good or ill fortune, has been the other variable that has determined its actuarial profile for the purposes of social insurance. Self-reliance, in turn, has been the outcome of at least two elements: the group's economic prospects and its demographic outlook. Among communities variously affected by risk, redistribution benefits those buffeted by misfortune, courtesy of those less exposed to uncertainty. Within a sufficiently homogeneous risk community, on the other hand, redistribution threatens to shift burdens from the economically hard-pressed to the flourishing, giving the latter reason to avoid such reform, the former to seek it. In a similar manner, groups in a position of demographic growth or at least stability may be asked for sacrifices on behalf of those in decline.

Risk incidence and the capacity for self-reliance as indicated by economic and demographic fortune together determine a group's actuarial profile and thereby what it stands to win or lose from social insurance's ability to reallocate the costs of uncertainty. In the simplest logic, those with high risk and low fortune will invariably win from redistribution and therefore seek it. These are the needy in terms of the actuarial criteria employed by social insurance. Conversely, those with low risk and high fortune will have opposing interests. In between, varying constellations of risk incidence and fortune, coupled to considerations of how the system of redistribution is structured (Are burdens placed heavily by ability to bear them or with financial neutrality in accordance with their incidence? Are benefits restricted to the poor or given to all who meet the formal criteria of membership?), will determine the stake held by any given group. If we translate into more concrete social terms the abstract risk categories that

¹¹ Such economic redistribution has been accomplished both by asking more from the rich than the poor in terms of financing (through premiums or indirectly through taxes), but equally by withholding from the affluent through the use of means tests benefits for which there was in some sense entitlement. Targeting benefits is a form of economic redistribution and campaigns to decrease means-testing (discussed in Chapter 2) were therefore to a significant extent attempts by the affluent to reduce such reapportionment.